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Trump's Confused Message On Trade Down Mexico Way

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Republican presidential candidate Donald Trump visited Mexico on Wednesday and met with Mexican President Enrique Peña Nieto.

In a press briefing after the meeting, Trump spoke about immigration and trade in a much more civil tone than he typically uses on the campaign trail.

NAFTA is a 22-year-old agreement that must be updated to reflect the realities of today. There are many improvements that could be made that would make both Mexico and the United States stronger and keep industry in our hemisphere.

We have tremendous competition from China and from all over the world. Keep it in our hemisphere.... Improving pay standards and working conditions will create better results for all and for all workers in particular. There is a lot of value that could be created for both countries by working beautifully together. And that, I am sure, will happen.

Keep manufacturing wealth in our hemisphere. When jobs leave Mexico, the U.S. or Central America and go overseas, it increases poverty and pressure on social services as well as pressures on cross border migration.

After claiming repeatedly that increased trade with Mexico “destroyed” the American economy, this is a whopper of a change in rhetoric.

Trump didn't stop treating trade as a zero-sum game, but he added Mexico to our team. He said “our hemisphere” where he would normally say “America.”

An unfortunate reality of politics is that international trade is almost always discussed as a competition between *us* and *them*. They see protectionism as a way to “level the playing field” instead of as the special interest rent-seeking that it really is.

Politicians use the term *outsourcing* to ostracize members of team *us* who employ members of team *them*. Even when making a pitch for free trade, President Obama has said that we need the

Trans-Pacific Partnership so that “the rules of trade” will benefit *us* (America) instead of *them* (China).

One big problem with this approach is that there is no economically rational or morally justified line to tell us who belongs in the *us* group and who is *them*. Nationalism is a politically convenient sort of tribalism, but there’s no objective reason why Michigan and California should be considered economic friends on a team that fights against Mexico.

Just as socialists have to claim that class lines are hard and objective, nationalists have to convince people that some lines on a map matter more than others.

It’s easy for politicians to draw a bigger circle (say, North America) or smaller circle (say, Ohio steel workers) when it serves their purposes. That’s just what Trump did on Wednesday in Mexico.

When you change who counts as *us* and who counts as *them*, interesting things can happen. Trump was willing to include Mexico in the *us* team, but still needed a bad guy, so he warned of competition from China.

Now that we’re on the same team, we can work (“beautifully”) together to protect ourselves against competition from *them*. It makes it possible for Trump to support NAFTA (once it’s vaguely “improved”) as a way to strengthen our team.

Even if politicians are set on dividing the world into *us* and *them*, there’s room for progress as long as the *us* keeps getting bigger and the *them* keeps getting smaller and farther away.

The U.S. economy will be better off if our politicians confine their belligerence to countries we don’t trade very much with. That’s why, even though everything Trump says about trade is wrong, it’s better if his scapegoat isn’t Mexico.

Now if we could just get Trump to visit China.

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